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May 23, 2012

VIA E FILING

Jocelyn D. Boyd, Esquire
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Drive
Columbia, SC 29210

RE: Application of 365 Wireless, LLC for Certificate of Public Convenience and Necessity to Provide Interexchange and Local Exchange Telecommunications Services and for Local Service Offerings to be Regulated in accordance with Procedures Authorized for NewSouth Communications in Order No. 98-165 in Docket No. 97-467-C; and for Interexchange Service Offerings to be Regulated in Accordance with Procedures Established for Alternative Regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-166-C

Dear Ms. Boyd:

Enclosed please find for filing the Application of 365 Wireless, LLC for Certification of Public Convenience and Necessity to Provide Interexchange and Local Exchange Telecommunication Services. By copy of this letter, I am serving the Office of Regulatory Staff.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Sincerely,

Elliott & Elliott, P.A.



Scott Elliott

SE/mlw

Enclosures

cc: C. Dukes Scott, Esquire w/enc.
Tony D. Cash, Esquire

**BEFORE THE
PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

DOCKET NO.:

IN RE:)	
)	
Application of 365 Wireless, LLC)	
for a Certificate of Public Convenience and)	
Necessity to Provide Interexchange and Local)	
Exchange Telecommunications Services and)	
For Local service Offerings to be Regulated)	APPLICATION
In Accordance with Procedures Authorized)	
For NewSouth Communications in Order)	
No. 98-165 in Docket No. 97-467-C; and)	
for Interexchange Service Offerings to be)	
Regulated in Accordance with Procedures)	
Established for Alternative Regulation in)	
Order Nos. 95-1734 and 96-55 in Docket)	
No. 95-166-C)	

APPLICATION OF 365 WIRELESS, LLC
FOR AUTHORITY TO PROVIDE RESOLD AND FACILITIES-BASED
LOCAL EXCHANGE AND INTEREXCHANGE SERVICE

365 Wireless, LLC ("365" or "Applicant"), pursuant to S.C. Code Ann. § 56-9-280(B)¹ and Section 253 of the Telecommunications Act of 1996², respectfully submits this Application for Authority to Provide Resold and Facilities-Based Local Exchange and Interexchange Service ("Application") in the State of South Carolina and for local service offerings to be regulated in accordance with procedures authorized for NewSouth Communications in Order No. 98-165 in docket No. 97-467-C; and for interexchange service offerings to be regulated in accordance with procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C.

¹As amended by Act No. 354, signed by the Governor on June 6, 1996.

²Telecommunications Act of 1996, 47 U.S.C. § 253 (1996).

365 intends to offer interexchange service to business customers throughout the state. Applicant intends to provide local exchange service to customers located in non-rural local exchange carriers' service areas of South Carolina. Should its Application be granted, 365 plans to commence offering service immediately upon the establishment of the appropriate and necessary resale arrangements with the incumbent Local Exchange Carriers ("LECs"). Applicant will be negotiating an interconnection/resale agreement with BellSouth to provide local service. Applicant intends to utilize AT&T South Carolina, and other equivalent providers as its underlying interexchange carriers.

Approval of this Application will promote the public interest by increasing the level of competition in the South Carolina telecommunications market. Ultimately, competition will compel all telecommunications service providers to operate more efficiently and pass the resultant cost savings on to consumers. In addition, as a result of competition, the overall quality of local exchange and interexchange service will improve.

In support of its Application, 365 states as follows:

I. Introduction

1. The name and address of the Applicant are:

365 Wireless, LLC
1500 Trotters Cove
Atlanta, GA 30338

2. All correspondence, notices, inquiries and other communications regarding this Application should be directed to:

Tony D. Cash
Attorney at Law
1500 Trotters Cove
Atlanta, GA 30338
Telephone: 678-916-0628
Facsimile: 678-916-0698

Local Counsel:
Scott Elliott, Esquire
Elliott & Elliott, P.A.
1508 Lady Street
Columbia, SC 29201
Telephone: 803-771-0555
Facsimile: 803-771-8010

3. In support of this Application, the following exhibits are attached hereto:
- a. Exhibit A - 365's Certificate of Organization filed with the Secretary of State for the State of Georgia;
 - b. Exhibit B - 365's Certificate of Authority to Operate in South Carolina as a Foreign Corporation;
 - c. Exhibit C - 365's Financial information.
 - d. Exhibit D - Biographies of selected 365 management;
 - e. Exhibit E - Illustrative Price List for Local Exchange Service; and
 - f. Exhibit F - Proposed Tariff for Interexchange Service.

II. Description of the Applicant

1. General Information

Applicant is a Georgia limited liability company, which was formed on March 29, 2011. The company is headquartered at 1500 Trotters Cove, Atlanta, Georgia 30338.

2. Customer Service

365's customer service representatives are available to assist its customers and will promptly respond to all customer inquiries. Customers may call 888-820-4544 or a local number. The applicable toll free or local numbers will be printed on customers' monthly billing statements. Alternately, customers wishing to communicate with 365's customer service representatives in writing may send written correspondence to 365 at:

365 Wireless, LLC
ATTN: Customer Service
1500 Trotters Cove
Atlanta, Georgia 30338

365's customer service representatives are prepared to respond to a broad range of service matters, including inquiries regarding: (1) the types of services offered by 365 and the rates associated with such services; (2) monthly billing statements; (3) problems or concerns pertaining to a customer's current service; and (4) general service matters.

III. 365 Possesses the Technical, Managerial and Financial Expertise Necessary to Provide Local Exchange and Interexchange Service

365 possesses the requisite technical, financial and managerial capabilities to operate as a competitive telecommunications provider. These capabilities are explained in detail below.

1. Financial Qualifications

365 is financially able to provide the services proposed in its tariff as evidenced by its financial information.

2. Managerial Qualifications

365's senior management team is highly skilled, having acquired considerable experience in the telecommunications industry. Using this extensive expertise, 365's management team has developed innovative marketing strategies. In conjunction with effective financial and operational measures, these marketing strategies will enable the company to provide quality service at competitive rates, while resulting in profitable operations for the Applicant. 365 has extensive experience in the technical, managerial, and financial aspects of the telecommunications industry.

3. Technical Qualifications

Applicant's key management personnel have significant business and telecommunications experience. Applicant is currently authorized to provide interexchange and/or local exchange service in Florida, New York, Texas, Washington and Indiana. 365 is in the process of obtaining authorization to provide local and interexchange service nationwide. No such applications have been denied or dismissed. Applicant will also rely upon the technical expertise and telecommunications experience of its underlying carriers.

365 will initially resell the facilities of the existing LECs or underlying carriers that presently serve South Carolina. 365 will primarily resell the facilities and services of AT&T South Carolina. 365 will also use unbundled network elements and services purchased from AT&T South Carolina and other incumbent local exchange providers, where applicable, to provide service through 365's facilities.

Applicant's current business and network plans call for market entry via resold LEC and IXC facilities. When customer demand warrants, Applicant proposes to offer resold and facilities-based local exchange services. Such services will be provided by utilizing the facilities incumbent local exchange carriers ("LECs"), as well as through Applicant's own facilities.

Applicant seeks authority to resell and provide through its own facilities local exchange services throughout the State primarily in the areas served by Verizon. Applicant's local calling areas initially will coincide with the incumbent local exchange carrier's local calling areas. Upon its entry into the South Carolina market, Applicant intends to install equipment for the provision of local exchange services. When Applicant installs facilities in South Carolina, it will probably

use the following or a similar configuration of equipment: Applicant will provide voice and high speed data services through a combination of the latest technology switching and transport media comprised of the Lucent Technology 5 ESS Generic 13 switch module, ADSL/SDSL transport and Internet service equipment and the latest Optical multiplexer DAC's configurations. The switching system consists of a central processing and control complex capable of interconnection as a peer to the incumbent as well as competitive local exchange companies. The hub portion of the switch will interconnect with the public switched network on Signaling System 7 ("SS7") or Feature Group D ("FGD") facilities. The system's remote module capability will allow properties to be served in a manner that provides the exchange of appropriate signaling, control and calling/caller information to the network in accordance with network standards and specifications. Additionally, these services will be delivered over a combination of delivery mechanisms through incumbent local carriers' unbundled loop network, both copper and fiber and transport networks, as well as via Applicant constructed facilities. Its services will be available on a full-time basis, twenty-four hours a day, seven days a week, to customers within the geographic boundaries of the State of South Carolina. Customers will be billed by Applicant. Applicant is willing to accept its obligations to collect 911 and dual relay service surcharges from its local exchange customers, and to remit those funds to the appropriate authorities. 365 is currently providing resold and facilities-based interexchange and local exchange service in Florida, New York, Texas, Washington and Indiana.

As the foregoing illustrates, 365 possesses considerable telecommunications expertise. 365 is technically qualified to provide local exchange and interexchange telecommunications services in South Carolina.

IV. Approval of 365's Application is in the Public Interest

Granting 365's Application is consistent with S.C. Code Ann. § 58-9-280(B), as amended by 1996 Act No. 354, and, in that regard Applicant makes the following representations to the Commission:

- a. Applicant possesses the technical, financial, and managerial resources sufficient to provide the services requested;
- b. Applicant's services will meet the service standards required by the Commission;
- c. The provision of local and interexchange services by Applicant will not adversely impact the availability of affordable local and interexchange service;
- d. Applicant, to the extent it is required to do so by the Commission, will participate in the support of universally available telephone service at affordable rates; and,
- e. The provision of local and interexchange services by Applicant will not adversely impact the public interest.

The demands of a competitive market are a better means to achieve affordability and quality of service than a monopoly environment. As competitors vie for market share, they will compete based upon price, innovation and customer service.

Those providers that offer consumers the most cost effective products will gain market share. In contrast, providers whose products do not meet the needs of consumers will lose market share and, ultimately, be eliminated from the industry.

Additionally, 365's entry into the local exchange and interexchange markets will not unreasonably prejudice or disadvantage any telephone service providers. Incumbent local exchange carriers presently serve a large majority of the local exchange customers in South Carolina. The major advantages of incumbency (i.e., ownership of the existing local network as well as access to, and long-standing relationships with, every local customer) constitute a

substantial obstacle to new entrants. Moreover, exchange services competition will stimulate the demand for the services supplied by all local service carriers, including those of the incumbent LECs. Thus, in a competitive market, there will be increased potential for such LECs to generate higher revenues. Additionally, in a competitive market, incumbent providers will have market incentives to improve the efficiency of their operations, thereby reducing their costs and ultimately their profit margins. Finally, it is important to recognize that in a competitive market, incumbent LECs will derive revenues from both resellers of their local exchange and interexchange services as well as facilities based competitive local exchange providers.

Currently, South Carolina consumers have a limited choice with regard to the provision of local exchange telecommunications service. A competitive local and interexchange service market comprised of incumbents and competitive providers such as 365 will offer consumers a competitive option and, therefore, will better satisfy the needs of various market segments. In this regard, approval of this Application is clearly in the public interest.

V. Description of Services Offered and Service Territory

For informational purposes, 365 has filed with this Application an illustrative price list based on 365's current expectations regarding local services. (Exhibit "E"). 365 expects to offer a full array of services to business customers, including the following:

Interexchange (switched and dedicated services):

- A. 1+ and 101XXXX outbound dialing;
- B. 800/888 toll-free inbound dialing; and
- C. Data Services.

Local Exchange:

- A. Local Exchange Services for business telecommuter customers that will enable customers to originate and terminate local calls in the local calling area served by other LECs.
- B. Switched local exchange services, including basic service, trunks, carrier access, and any other switched local services that currently exist or will exist in the future.

- C. Non-switched local services (e.g., private line) that currently exist or will exist in the future.

Prior to providing local exchange services to the public in South Carolina, 365 will file a complete Final Tariff and/or Price List with the Commission. Furthermore, Applicant submits contemporaneously with this application its proposed tariff for local exchange service (Exhibit E) and interexchange service (Exhibit F), which contains a description of services to be provided, all rules and regulations applicable to such services, and proposed rates for such services.

VI. Waivers and Regulatory Compliance

365 requests that the Commission grant it a waiver of those regulatory requirements inapplicable to competitive local service resellers such as 365. Such rules are not appropriate or necessary for competitive providers and constitute an economic barrier to entry into the local exchange market.

1. Financial Record-Keeping System

a. 365 respectfully requests that it be exempt from any record-keeping rules or regulations that might require a carrier to maintain its financial records in conformance with the Uniform System of Accounts ("USOA"). The USOA was developed by the FCC as a means of regulating telecommunications companies subject to rate base regulation.

b. As a competitive carrier, 365 maintains its book of accounts in accordance with Generally Accepted Accounting Principles ("GAAP"). Neither the FCC, nor the Commission, has required 365 to maintain its records under the USOA for purposes of 365's interexchange operations. Thus, 365 does not possess the detailed cost data required by USOA, nor does it maintain detailed records on a state-specific basis. As a competitive provider, 365's network operations are integrated to achieve maximum efficiency. Having to maintain records pertaining specifically to its South Carolina local service operations would place an extreme burden on 365.

c. Moreover, 365 asserts that because it utilizes GAAP, the Commission will have a reliable means by which to evaluate 365's operations. Therefore, 365 hereby respectfully requests to be exempt from the any USOA requirements of the Commission.

d. In addition, 365 hereby respectfully requests a waiver of 26 S.C. Code & Ann. Regs. 103-610, which requires books and records to be kept in the State of South Carolina, but rather, 365 desires to keep its books and records at its principal place of business.

2. Local Exchange Directories

Applicant respectfully requests a waiver of the requirement in Rule 103-631 to publish and distribute local exchange directories. 365 will make arrangements with the incumbent LECs whereby the names of 365's customers will be included in the directories published by the incumbent LECs. LEC directories will also be modified to include 365's customer service number. These directories will be distributed to 365's customers. This approach is entirely reasonable and will have a direct benefit to the customers of both 365 and the incumbent LECs since they need only refer to one directory for a universal listing of customer information. It would be an unnecessary burden on 365 to require that it publish and distribute its own directory to all customers located within each exchange area, particularly since nearly all of these customers will be customers of the incumbent LECs. It is more efficient for 365 to simply include its limited customer list in the existing directories of the incumbent LECs.

3. Flexible Regulation of Local Services and Alternative Regulation of Interexchange Services

Applicant respectfully requests that its local service offerings be regulated in accordance with procedures authorized for NewSouth Communications in Order No. 98-165 in Docket No. 97-467-C. Additionally, Applicant respectfully requests that its interexchange service offerings be regulated in accordance with procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C.

4. Marketing Practices

Pursuant to the South Carolina Public Service Commission's Order No. 95-658 (issued March 20, 1995), Applicant makes the following affirmation relating to the Applicant's provision of services:

As a telephone utility under the regulation of the Public Service Commission of South Carolina, 365 does hereby assert and affirm that as a reseller of intrastate telecommunications service, 365 will not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in South Carolina, and will comply with those marketing procedures, if any, set forth by the Public Service Commission. Additionally, 365 will be responsible for the marketing practices of its contracted telemarketers for compliance with this provision. 365 understands that violation of this provision could result in a rule to show cause as to the withdrawal of its certification to complete intrastate telecommunications traffic within the state of South Carolina.

5. Maps

Applicant's local exchange calling areas will initially mirror the service areas of the incumbent local exchange carriers, therefore, Applicant hereby respectfully requests a waiver of the map filing requirement pursuant to Commission Rule 103-612.2.3.

VII. Conclusion

This Application demonstrates that 365, possesses the technical, financial and managerial resources to provide resold and facilities-based local exchange and interexchange service in the State of South Carolina. Furthermore, granting this Application will promote the public interest by increasing the level of competition in the South Carolina telecommunications market. Ultimately, competition will compel all exchange telecommunications service providers to operate more efficiently and pass the resultant cost savings on to consumers. In addition, as a result of competition, the overall quality of local exchange and interexchange service will

improve. As stated above, Applicant does not intend to provide local service, by its own facilities or otherwise, to any customer located in a rural incumbent LEC's service area, until Applicant provides such LEC's notice of intent at least 30 days prior to the date of the intended service.

Wherefore, 365 Wireless, LLC, respectfully petitions this Commission for authority to operate as a reseller and facilities-based provider of local exchange and interexchange telecommunications services in the State of South Carolina and for local service offerings to be regulated in accordance with procedures authorized for NewSouth Communications in Order No. 98-165 in Docket No. 97-467-C; and for interexchange service offerings to be regulated in accordance with procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C, in accordance with this Application and for such other relief as it deems necessary and appropriate.

Respectfully submitted,

365 Wireless, LLC

Scott Elliott
1508 Lady Street
Columbia, SC 29201
(803) 771-0555

Attorneys for Applicant

Columbia, SC
May 23, 2012

CERTIFICATE OF SERVICE

The undersigned employee of Elliott & Elliott, P.A. does hereby certify that she has served below listed parties with a copy of the pleading(s) indicated below by mailing a copy of same to them in the United States mail, by regular mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

RE: Application of 365 Wireless, LLC for a Certificate of Public Convenience and Necessity to Provide Interexchange and Local Exchange Telecommunications Services and for local service offerings to be regulated in accordance with procedures authorized for NewSouth Communications in Order No. 98-165 in docket No. 97-467-C; and for interexchange service offerings to be regulated in accordance with procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C.

DOCKET NO.: 2012- -C

PARTIES SERVED: C. Dukes Scott, Esquire
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201

Tony D. Cash, Esquire
Georgia

PLEADING: APPLICATION

May 23, 2012


MaryJo Lawracy, Legal Assistant

EXHIBIT "A"
STATE OF GEORGIA CERTIFICATE OF ORGANIZATION

Secretary of State
Corporations Division
315 West Tower
#2 Martin Luther King, Jr. Dr.
Atlanta, Georgia 30334-1530

DOCKET NUMBER : 110513800
CONTROL NUMBER : 11025121
DATE INC/AUTH/FILED: 03/29/2011
JURISDICTION : GEORGIA
PRINT DATE : 05/13/2011
FORM NUMBER : 211

365 WIRELESS, LLC
TONY D. CASH
1500 TROTTERS COVE
ATLANTA, GA. 30338

CERTIFICATE OF EXISTENCE

I, Brian P. Kemp, the Secretary of State of the State of Georgia, do hereby certify under the seal of my office that

365 WIRELESS, LLC
A DOMESTIC LIMITED LIABILITY COMPANY

was formed in the jurisdiction stated above or was authorized to transact business in Georgia on the above date. Said entity is in compliance with the applicable filing and annual registration provisions of Title 14 of the Official Code of Georgia Annotated and has not filed articles of dissolution, certificate of cancellation or any other similar document with the office of the Secretary of State.

This certificate relates only to the legal existence of the above-named entity as of the date issued. It does not certify whether or not a notice of intent to dissolve, an application for withdrawal, a statement of commencement of winding up or any other similar document has been filed or is pending with the Secretary of State.

This certificate is issued pursuant to Title 14 of the Official Code of Georgia Annotated and is prima-facie evidence that said entity is in existence or is authorized to transact business in this state.



B. P. Kemp

Brian P. Kemp
Secretary of State

STATE OF GEORGIA

Secretary of State

Corporations Division

315 West Tower

#2 Martin Luther King, Jr. Dr.

Atlanta, Georgia 30334-1530

CERTIFICATE OF ORGANIZATION

I, **Brian P. Kemp**, the Secretary of State and the Corporations Commissioner of the State of Georgia, hereby certify under the seal of my office that

365 WIRELESS, LLC

a Domestic Limited Liability Company

has been duly organized under the laws of the State of Georgia on **03/29/2011** by the filing of articles of organization in the Office of the Secretary of State and by the paying of fees as provided by Title 14 of the Official Code of Georgia Annotated.

WITNESS my hand and official seal in the City of Atlanta
and the State of Georgia on March 29, 2011



Brian P. Kemp
Secretary of State

Control No: 11025121
Date Filed: 03/29/2011 08:39 AM
Brian P. Kemp
Secretary of State

March 29, 2011

**ARTICLES OF ORGANIZATION
FOR GEORGIA LIMITED LIABILITY COMPANY**

The name of the Limited Liability Company is:
365 Wireless, LLC

The principal mailing address of the Limited Liability Company is:
1500 Trotters Cove
Atlanta, GA 30338

The Registered Agent is:
Tony D Cash
1500 Trotters Cove
Atlanta, GA 30338
County: DeKalb

The name and address of each organizer(s) are:
Tony D Cash
1500 Trotters Cove
Atlanta, GA 30338

The optional provisions are:
No optional provisions.

IN WITNESS WHEREOF, the undersigned has executed these Articles of Organization on the date set forth below.

Signature(s):
Attorney-in-Fact, Tony D Cash

Date:
March 29, 2011

EXHIBIT "B"
FOREIGN CORPORATION QUALIFICATION

The State of South Carolina



Office of Secretary of State Mark Hammond

Certificate of Authorization

I, Mark Hammond, Secretary of State of South Carolina Hereby certify that:

365 WIRELESS, LLC, A Limited Liability Company duly organized under the laws of the State of GEORGIA, and issued a certificate of authority to transact business in South Carolina on June 28th, 2011, with a duration that is at will, has as of this date filed all reports due this office, paid all fees, taxes and penalties owed to the Secretary of State, that the Secretary of State has not mailed notice to the company that it is subject to being dissolved by administrative action pursuant to section 33-44-809 of the South Carolina Code, and that the company has not filed a certificate of cancellation as of the date hereof.

Given under my Hand and the Great
Seal of the State of South Carolina this
7th day of July, 2011.


Mark Hammond, Secretary of State

EXHIBIT "C"
FINANCIAL INFORMATION

EXECUTIVE SUMMARY OF FINANCIALS

365 Wireless, LLC was organized under the laws of the State of Georgia on March 29, 2011 and has been a business entity for less than one year. Consistent with Phase One of its business plan, the Company began seeking certification as a provider of competitive local exchange services in 2011 and is currently authorized to provide such services in the States of New York, Florida, Texas, Washington, Indiana, Massachusetts, Oregon, Georgia, Wisconsin, and North Dakota. Now in Phase Two, 365 is provisioning the facilities necessary to begin offering services to customers in those states and is also working concomitantly to become certified throughout the United States. The operations proposed by the Applicant are economically feasible and Applicant is financially qualified to provide the local exchange and interexchange services requested in this Application.

Applicant is adequately capitalized by a private investor to operate its business and meet all expense obligations through completion of Phase Two of its plan and is on target to reach its breakeven point in 3Q2012 as expressed in the pro forma income statement which is attached hereto. Applicant also has the resources to satisfy any deposits to other telecommunications carriers that it may be required to provide.

In support of its Application, Applicant's financial statements for 2011 are provided as Attachment "D" along with financial statements for 2012 (as of February 15, 2012). The financial statements represent the totality of Applicant's operations and are not based on a specific geographic area. The attached Bank Letter of Deposit and Bank Statement (current at the time of filing this Application) demonstrate that Applicant is adequately capitalized while the pro forma financial statements, heretofore mentioned, show that the Company will achieve its objective to become profitable later this year.



Balance Sheet
365 Wireless, LLC
As of December 31st 2011

	December 31, 2011
<u>Current Assets</u>	
Cash in bank	\$ 5,528
Accounts receivable	-
Other current assets	-
Total current assets	5,528
<u>Fixed Assets</u>	
Network equipment	\$ 255,650
Furniture & fixtures	8,966
Other fixed assets	-
(LESS accumulated depreciation on all fixed assets)	(9,658)
Total Fixed Assets (net of depreciation)	\$ 254,958
<u>Other Assets</u>	
Deposits	85,000
Other	569
Total Other Assets	\$ 85,569
TOTAL Assets	\$ 346,055
Liabilities and Equity	
<u>Current Liabilities</u>	
Accounts payable	\$ 263,805
Interest payable	-
Taxes payable	125
Notes, short-term (due within 12 months)	-
Total Current Liabilities	\$ 263,930
<u>Long-term Debt</u>	
Note payable to related party	-
Total Long-term Debt	\$ -
Total Liabilities	\$ 263,930
<u>Owners' Equity</u>	
Invested capital	196,199
Retained earnings - beginning	-
Retained earnings - current	(114,074)
Total Owners' Equity	\$ 82,125
TOTAL Liabilities & Equity	\$ 346,055



Profit and Loss Statement
365 Wireless, LLC

For the year ended December 31, 2011

	2011 YTD
Sales Revenue	
Network services	\$ -
Other service revenue	\$ -
Total Sales Revenue	\$ -
Cost of Sales	
Interconnection costs	\$ 5,602
Usage costs	\$ -
Total Cost of Sales	\$ 5,602
Gross profit	\$ (5,602)
Operating Expenses	
Advertising and Marketing	
Wages and salaries	\$ 68,533
State registration fees	\$ 5,695
Outside services	\$ 5,500
Supplies	\$ 205
Rent	\$ 7,565
Depreciation	\$ 9,658
Insurance	\$ 8,627
Other expense	\$ 2,688
Total OPEX	\$ 108,471
Net profit (loss)	\$ (114,074)



Balance Sheet

365 Wireless, LLC

As of February 15th, 2012

Current Assets

Cash in bank

\$ 106,248

Accounts receivable

1,026

Other current assets

-

Total current assets

107,274

Fixed Assets

Network equipment

\$ 255,650

Furniture & fixtures

8,966

Other fixed assets

-

(LESS accumulated depreciation on all fixed assets)

(9,658)

Total Fixed Assets (net of depreciation)

\$ 254,958

Other Assets

Deposits

85,000

Other

569

Total Other Assets

\$ 85,569

TOTAL Assets

\$ 447,801

Liabilities and Equity

Current Liabilities

Accounts payable

\$ 166,260

Interest payable

-

Taxes payable

-

Notes, short-term (due within 12 months)

-

Total Current Liabilities

\$ 166,260

Long-term Debt

Note payable to related party

0

Total Long-term Debt

\$ -

Total Liabilities

\$ 166,260

Owners' Equity

Invested capital

441,536

Retained earnings - beginning

(114,074)

Retained earnings - current

(45,921)

Total Owners' Equity

\$ 281,541

TOTAL Liabilities & Equity

\$ 447,801



Profit and Loss Statement
365 Wireless, LLC

2012 YTD

	2012 YTD
Sales Revenue	
Network services	\$ 2,153
Other service revenue	\$ -
Total Sales Revenue	<u>\$ 2,153</u>
Cost of Sales	
Interconnection costs	\$ 24,698
Usage costs	\$ 1,432
Colocation expense	\$ -
Total Cost of Sales	<u>\$ 26,130</u>
Gross profit	<u>\$ (23,977)</u>
Operating Expenses	
Advertising and Marketing	
Wages and salaries	\$ 15,205
State registration fees	\$ 105
Outside services	\$ 3,525
Supplies	\$ 52
Rent	\$ 1,698
Depreciation	\$ -
Insurance	\$ 1,258
Other expense	\$ 101
Total OPEX	<u>\$ 21,944</u>
Net profit (loss)	<u>\$ (45,921)</u>



Balance Sheet
365 Wireless, LLC
Proforma Balance Sheet

	As of 12/31/2012	As of 12/31/2013	As of 12/31/2014
<u>Current Assets</u>			
Cash in bank	\$ 456,985	\$ 858,633	\$ 1,569,852
Accounts receivable	365,987	701,548	1,211,659
Prepaid expenses	2,692	16,985	25,691
Other current assets	15,698	30,584	32,504
Total current assets	841,362	1,607,750	2,839,706
<u>Fixed Assets</u>			
Network equipment	\$ 356,587	\$ 705,897	\$ 909,845
Furniture & fixtures	16,851	69,949	70,051
Other fixed assets	2,568	4,598	6,594
(LESS accumulated depreciation on all fixed assets)	(141,152)	(343,407)	(553,092)
Total Fixed Assets (net of depreciation)	\$ 234,854	\$ 437,037	\$ 433,398
<u>Other Assets</u>			
Deposits	85,500	125,000	125,000
Other	569	5,005	83,125
Total Other Assets	\$ 86,069	\$ 130,005	\$ 208,125
TOTAL Assets	\$ 1,162,285	\$ 2,174,792	\$ 3,481,229
Liabilities and Equity			
<u>Current Liabilities</u>			
Accounts payable	\$ 396,976	\$ 559,836	\$ 601,005
Interest payable	6,982	9,852	8,542
Taxes payable	1,134	2,569	3,654
Notes, short-term (due within 12 months)	10,000	10,000	-
Total Current Liabilities	\$ 415,092	\$ 582,257	\$ 613,201
<u>Long-term Debt</u>			
Note payable to related party	150,000	60,000	-
Total Long-term Debt	\$ 150,000	\$ 60,000	\$ -
Total Liabilities	\$ 565,092	\$ 642,257	\$ 613,201
<u>Owners' Equity</u>			
Invested capital	\$ 100,000	\$ 100,000	\$ 100,000
Retained earnings - beginning	-	497,193	1,432,535
Retained earnings - current	497,193	935,342	1,335,493
Total Owners' Equity	\$ 597,193	\$ 1,532,535	\$ 2,868,028
TOTAL Liabilities & Equity	\$ 1,162,285	\$ 2,174,792	\$ 3,481,229

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Profit and Loss Statement
365 Wireless, LLC

THREE YEAR PROFORMA INCOME STATEMENTS

	2012	2013	2014
Sales Revenue			
Network services	\$ 6,863,598	\$ 9,685,451	\$ 11,596,674
Other service revenue	\$ 4,389	\$ 6,568	\$ 9,006
Total Sales Revenue	<u>\$ 6,867,987</u>	<u>\$ 9,692,019</u>	<u>\$ 11,605,680</u>
Cost of Sales			
Interconnection costs	\$ 656,369	\$ 709,659	\$ 874,526
Bandwidth costs	\$ 205,894	\$ 365,985	\$ 459,633
Colocation costs	\$ 25,367	\$ 45,986	\$ 11,245
Switching costs	\$ 421,888	\$ 605,784	\$ 615,333
Usage costs	\$ 3,968,567	\$ 5,026,558	\$ 5,966,663
Total Cost of Sales	<u>\$ 5,278,085</u>	<u>\$ 6,753,972</u>	<u>\$ 7,927,400</u>
Gross profit	<u>\$ 1,589,902</u>	<u>\$ 2,938,047</u>	<u>\$ 3,678,280</u>
Operating Expenses			
Advertising and Marketing	\$ 36,571	\$ 56,815	\$ 75,012
Wages and salaries	\$ 259,986	\$ 756,892	\$ 805,556
Outside services	\$ 95,862	\$ 75,001	\$ 50,666
Supplies	\$ 12,698	\$ 23,565	\$ 54,874
Rent	\$ 38,974	\$ 38,974	\$ 38,974
Postage	\$ 2,674	\$ 3,025	\$ 5,989
Telephone and Internet	\$ 21,636	\$ 29,632	\$ 36,598
Legal and professional	\$ 50,587	\$ 85,065	\$ 50,058
Consulting fees	\$ 45,036	\$ 50,020	\$ 65,988
Depreciation	\$ 141,152	\$ 202,255	\$ 209,685
Insurance	\$ 44,269	\$ 57,899	\$ 59,058
Other expense	\$ 9,693	\$ -	\$ -
Total Operating Expenses	<u>\$ 759,138</u>	<u>\$ 1,379,143</u>	<u>\$ 1,452,458</u>
Pre-tax Income	<u>\$ 830,764</u>	<u>\$ 1,558,904</u>	<u>\$ 2,225,822</u>
Tax allowance	\$ (332,306)	\$ (623,562)	\$ (890,329)
Other income (expense)	\$ (1,265)	\$ -	\$ -
Net income (loss)	<u>\$ 497,193</u>	<u>\$ 935,342</u>	<u>\$ 1,335,493</u>



3625 CUMBERLAND BOULEVARD
BLDG. 2
ATLANTA, GA 30339
678-631-1240

ACCOUNT:
DOCUMENTS:

PAGE: 1
1018316 03/30/2012
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000184

365 WIRELESS LLC
2970 PEACHTREE RD NW STE 300
ATLANTA GA 30305

BUCKHEAD BRANCH
2970 PEACHTREE RD NW STE 100
ATLANTA GA 30305

Georgia Commerce Bank is now offering eStatements. If you are interested in receiving your Bank Statement electronically, please contact one of our offices: 678-631-1240 Main Office, 678-631-3600 Marietta Branch or 404-240-5000 Buckhead Branch.

BUSINESS CHECKING ACCOUNT 1018316

		LAST STATEMENT 02/29/12	100,000.00
MINIMUM BALANCE	100,000.00	CREDITS	.00
AVG AVAILABLE BALANCE	100,000.00	DEBITS	.00
AVERAGE BALANCE	100,000.00	THIS STATEMENT 03/30/12	100,000.00

- - - ITEMIZATION OF OVERDRAFT AND RETURNED ITEM FEES - - -

*		TOTAL FOR		TOTAL	*
*		THIS PERIOD		YEAR TO DATE	*

* TOTAL OVERDRAFT FEES:		\$.00		\$.00	*

* TOTAL RETURNED ITEM FEES:		\$.00		\$.00	*



BANK LETTER OF DEPOSIT

(To be provided)



Your Success is Our Business.

2970 Peachtree Road NW
Suite 100
Atlanta, GA 30305
Phone 404.240.5000
Fax 404.814.9745

May 1, 2012

Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Dear Sir/Madam,

Please accept this letter as confirmation that as of today's date, 365 Wireless LLC has on deposit with Georgia Commerce Bank a balance of \$100,000.00 in account #1018316.

Please feel free to contact the bank if you have any further questions.

Thank you,

A handwritten signature in cursive script that reads "B Berry".

Becky Berry
Banking Officer
Georgia Commerce Bank
2970 Peachtree Road, NW
Suite 100
Atlanta, GA 30305

EXHIBIT "D"
BIOGRAPHY INFORMATION

MANAGEMENT PROFILES

Joseph White – Vice President of Operations

(>12 years telecommunications experience)

As VP of Operations, Mr. White is responsible for all network operations and engineering projects at 365 Wireless, LLC. Mr. White has held a variety of senior engineering roles throughout his career of more than twelve years, thus exposing him to all areas and levels of an organization within the telecommunications industry. Mr. White's experience includes expertise in Network Provisioning and Engineering of network Layer 1 and 2 NOC facilities for VoIP Networks. Formerly, Mr. White was the Chief Technology Officer of a global company providing VoIP services.

At 365 Wireless, Mr. White oversees the deployment and management of the Company's network and implements and monitors adherence to quality standards in order to meet our customers' expectations. Mr. White is responsible for 365's Network Operations Center (NOC) located in Atlanta, Georgia. Applicant's NOC is fully staffed with trained personnel who diagnose problems and address them in an urgent manner. Applicant's NOC personnel are responsible for monitoring the telecommunications network for alarms or certain conditions that may require special attention to avoid customer-affecting impact on the network's performance. The NOC is currently staffed with six highly trained, full-time technical associates.

In addition to the technical expertise of its own employees, Applicant will rely upon the telecommunications experience and resources of its underlying carriers. It has

formed relationships with these carriers which allows for maximum use of their technical resources, support systems and diagnostic capabilities.

Tony D. Cash – General Counsel for 365 Wireless, LLC

(>25 years telecommunications experience)

As General Counsel, Mr. Cash applies his significant experience in business/commercial law, corporate law, and technology law to guide the company through the CLEC certification process and to ensure the Company complies with all applicable regulations.

With more than 25 years experience in the telecommunications industry, Mr. Cash was formerly Director of Business Development at BellSouth and he also held marketing leadership roles at AT&T. In addition, he was co-founder and General Counsel for FeroNetworks, a technology licensing company headquartered in Atlanta.

Mr. Cash holds a B.A. from Clemson University, an M.B.A. from Furman University, and earned a J.D. from Georgia State University. Admitted to the Georgia and Federal Bars in 1989, Mr. Cash is a Member of the American Bar Association and the State Bar of Georgia and is licensed to practice before all Georgia Courts and the Federal District Courts in the Northern and Southern District of Georgia (Eleventh Circuit).

Clive N. Marsh – Chief Financial Officer

(>20 years telecommunications experience)

As CFO, Mr. Marsh is responsible for managing the financial risks of the corporation by overseeing the internal financial reporting for the Company, conducting financial planning, and ensuring that adequate financial controls are in place. Mr. Marsh's external responsibilities include the preparation of annual financial statements as well as overseeing the financial and non-financial reporting to the various federal, state, and local regulatory authorities including public service commissions.

Mr. Marsh began his career at Price Waterhouse, LLP where he gained valuable experience into all facets of public and private financial reporting while ensuring his client's adherence to FASB (Financial Accounting Standards Board) pronouncements as well as compliance with GAAP (Generally Accepted Accounting Principles). Since that time, Mr. Marsh has served in various senior financial management positions at both publicly traded and privately held telecommunications entities.

As a CFO, Mr. Marsh has been involved directly in the successful negotiation and execution of several mergers and acquisitions in addition to both private and public placements of securities in order to facilitate the growth and expanding capital needs of small, medium and large businesses.

Mr. Marsh attended Oglethorpe University in Atlanta, GA where he earned a BBA degree with an emphasis in accounting theory and finance.